United Nations S/2000/360

Security Council

Distr.: General
28 April 2000
English
Original: Arabic

Letter dated 28 April 2000 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit to you herewith a letter dated 26 April 2000 from Mr. Mohamed Said al-Sahaf, Minister for Foreign Affairs of the Republic of Iraq, concerning the continuing policy of the United States of America of placing holds on contracts for spare parts for the oil sector, with consequent further deterioration of that sector, and requesting you to intervene with the United States Government to urge it to desist from a policy that is harmful to the Iraqi people.

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(*Signed*) Saeed H. **Hasan**
Ambassador
Permanent Representative

00-40962 (E) 020500 020500

Annex to the letter dated 28 April 2000 from the Permanent Representative of Iraq to the United Nations addressed to the Secretary-General

Since the adoption on 31 March 2000 of Security Council resolution 1293 (2000), by which the amounts earmarked for the oil sector in Phases VI and VII of the Memorandum of Understanding between Iraq and the Secretariat of the United Nations were increased from $300 million to $600 million, the reality is that that sector has not experienced any change, despite the media halo surrounding the subject, which has led some to conclude that there is a new approach to the issue of contracts between Iraq and foreign companies operating in the oil sector.

In order to shed additional light on this subject, may I direct your attention to some facts pertaining to oil sector applications to the Security Council Committee established by resolution 661 (1990) (661 Committee) before and after the adoption of resolution 1293 (2000). Before the adoption of that resolution, the total number of oil-sector-related applications had been 564, for a value of approximately $309 million; since its adoption, the total number of such applications was 565 as of 20 April 2000, for a value of approximately $316 million. Furthermore, the number of applications placed on hold in the period following the adoption of resolution 1293 (2000) stood at 29 as of 20 April 2000, for a value of over $14 million. This means that the status of applications relating to the oil sector is still in neutral, if indeed it has not been deliberately shifted into reverse.

It is apparent from the above facts that the hostile approach to Iraq taken by the United States of America in the 661 Committee has not changed, even after the adoption of resolution 1293 (2000), and that the United States intends to keep the situation of Iraq's oil sector as it is. Evidently that country is disregarding the recommendations contained in the report of the petroleum experts who visited Iraq between 16 and 31 January 2000, having been sent by you on a fact-finding field mission regarding the situation in Iraq's oil sector. It would seem that the United States agreed to the above-mentioned resolution, not to upgrade the situation of the oil sector, but only in the interests of propaganda-related media objectives aimed at muffling the growing reactions of other Member States in the Security Council which are calling for some improvement in the humanitarian situation in Iraq, including the upgrading of the oil sector.

The result of keeping the oil sector in its present situation will inevitably be that in the future Iraq will be unable to earn the revenues required to purchase the humanitarian needs specified in the Memorandum of Understanding. Similarly, unless the spare parts and equipment needed by the petroleum industry reach Iraq, the result must be further deterioration of the equipment now in use, and that in turn may lead to environmental catastrophes within the country. God forbid, but if that were to happen, the ensuing environmental damage would not be confined to Iraq alone; it would affect the entire region.

I am bringing these facts to your attention in the hope that you will intervene with the Government of the United States, which is attempting to place various obstacles in the way of oil-sector-related applications and seeking to justify its actions by a variety of fallacious pretexts, to urge it to abandon its policy of hostility towards the people of Iraq. I also hope that you will intervene with the Office of the Iraq Programme to urge it to expedite the submission of applications to the 661 Committee by simplifying the application procedure.

(*Signed*) Mohamed Said **Al-Sahaf**
Minister for Foreign Affairs of the Republic of Iraq